

REMARKS

The Applicant respectfully requests reconsideration and allowance of the present application in view of the amendments presented herein in conjunction with the following remarks. Claims 1-4, 6-12, 14-30, and 32-55 will be pending upon entry of this Response.

Request for Continued Examination (RCE)

A Request for Continued Examination (RCE) is being filed on the same date herewith. The RCE ensures entry of this Response.

Regarding the 35 U.S.C. § 103 Rejections

Claims 1-4, 10-12, 14-21, 26-30, 32-34, 41, 42, and 50-55 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,189,146 to Misra (referred to below as "Misra") in view of U.S. Published Application No. 2003/0160823 to Stannard (referred to as below as "Stannard") and U.S. Patent No. 5,745,879 to Wyman ("Wyman"). Claims 5-9, 13, and 22-25 are rejected under 35 U.S.C. § 103(a) over Misra as applied to claims 1, 12, 30, 35, 41, 43, and 49, "in view of obviousness" (as stated in paragraph No. 19 of the Office Action). The Applicant respectfully traverses these rejections for the following reasons.

Misra "employs a per-seat licensing technique, in which licenses are associated with a particular client or machine (i.e., 'seat' or 'node')." See column 12, lines 45-47 of Misra. In operation, "When a license is requested, the license server initially checks if the requesting client has already been issued a license. When this situation is detected, the license server issues the existing license to the client. This is actually reissuing of the same license that was previously issued. This allows the client to gracefully recover

1 licenses when they are lost.” See column 3, lines 1-7 of Misra. Misra further discloses,
2 “To prevent the software license from being copied from one client machine to another,
3 the software license is assigned to the specific client by including its client ID within the
4 license.” See column 15, lines 29-32.

5 Stannard discloses a licensing management technique in which “Drawing objects
6 not having a valid license can be used within [a] graphics application in the same
7 capacity as a licensed object except that the unlicensed objects are marked with tag [sic]
8 indicating that the object is not licensed. The tag in the exemplary embodiment is text
9 indicia printed across the object indicating that the object is not licensed.” Note
10 paragraph No. 7 of Stannard. In one case, if a license is expired, “the tag record is
11 retrieved in order to obtain the necessary information to draw the tag across the object
12 102 when the object 102 is drawn, displayed or printed at step 616.” See paragraph Nos.
13 60 and 61 of Stannard. In another case, “After the license expires, the user may
14 continues [sic] to use the libraries (300) obtained during the license period without the
15 objects 102 appearing with the tags 104.” See paragraph No. 74 of Stannard. Stannard
16 also discloses a technique for updating licenses. In this technique, “The server computer
17 720 sends an electronic mail message to warn the user that a particular license is near its
18 expiration date. The user is reminded that the objects 102 within new libraries (300) will
19 be displayed with an unlicensed tag 104 unless a new license is obtained.” See paragraph
20 No. 75 of Stannard.

21 Finally, Wyman discloses “a license management system [that] is used to account
22 for software product usage in a computer system.” See column 6, lines 14-15 of Wyman.
23 A “license server maintains a store of the licenses, called product use authorizations, that
24 it administers. Upon receiving a call from a user, the license server checks the product
25 use authorization to determine if the particular use requested is permitted, and, if so,

returns a grant to the requesting user node.” See column 6, lines 22-30 of Wyman. “The product use authorization is structured to define a license management policy allowing a variety of license alternatives by components called ‘style’, ‘context’, ‘duration’ and ‘usage requirements determination method’. The style may be allocative or consumptive. An allocative style means the units of the license may be allocated temporarily to a user when a request is received, then returned to the pool when the user is finished, so the units may be reused when another user makes a request. A consumptive style means the units are deducted from an available pool when a user node makes a valid request, and ‘consumed’, not to be returned for reuse.” See column 6, lines 39-50. The product use authorization also specifies a start date and an end date; the end date specifies when the product use authorization is to end. See column 11, lines 4-8 of Wyman.

Now turning to the claims, independent claim 1 is reproduced below in full with emphasis:

1. A method of managing a software license, comprising:
issuing a license to a client, the license having an expiration date;
in response to *receiving a license request within a license update period*, wherein the license update period begins a predetermined time before the expiration date, providing a new expiration date for the license and *reissuing the license with the new expiration date to the client*; and
in response to *not receiving a license request within the license update period*, *making the license available to be issued to another client.*

None of the applied documents disclose this subject matter, whether the documents are considered individually or combined in any way. For instance, the

documents do not disclose “in response to not receiving a license request within the license update period, making the license available to be issued to another client,” in combination with the other elements of the claim when read as a whole. Consider Misra first. As noted above, this document “employs a per-seat licensing technique, in which licenses *are associated with a particular client or machine*” (emphasis added). Indeed, Misra includes express provisions for “prevent[ing] the software license from being copied from one client machine to another.” This clearly points *away* from what is being claimed, namely, “in response to not receiving a license request within the license update period, making the license available to be issued to *another client* (emphasis added).” In other words, Misra takes steps to ensure that a license *remains associated* with a particular client, while the invention of claim 1 makes the license *available to be issued to another client*.

Stannard, as noted above, includes a reminder mechanism which allows a user to update a license. But Stannard does not disclose “in response to not receiving a license request within the license update period, making the license available to be issued to another client.” Indeed, when the expiration date of the license is reached, Stannard either displays a tag over the previously licensed graphical object or allows the user to consume the graphical object without interference. As a result, an expired license in Stannard continues to serve an operative role with respect to a particular client, so it is clear that the license is not freed up and made available to be issued to another client.

Realizing the marked deficiencies of Misra and Stannard, the Patent Office now cites the Wyman reference. However, Wyman also does not disclose “in response to not receiving a license request within the license update period, making the license available to be issued to another client.” For instance,

Wyman's license has an "end date," but Wyman does not disclose that the license is made "available to be issued to another client" after this end date is reached. Wyman's allocative and consumptive styles do not indicate how the *license itself* is reallocated upon reaching the end date, but rather how *licensing units* within the license are consumed. In Wyman, license units are an abstract numerical measure of product use allowed by the license. See column 13, lines 47-48.

Moreover, even if licensing units are improperly interpreted as licenses per se, Wyman's licensing units are managed in a different way than is specified in claim 1. As described above, an allocative style means the units of the license may be allocated temporarily to a user when a request is received, then returned to the pool *when the user is finished*, so the units may be reused when another user makes a request. A consumptive style means the units are deducted from an available pool when a user node makes a valid request, and 'consumed', not to be returned for reuse. But claim 1 recites "in response to *not receiving* a license request within the license update period, making the license available to be issued to another client." Wyman's allocative technique returns units to the pool in response to *the use* of units or other express events, whereas claim 1 states that a license is made available in response to "*not receiving* a license request within a license update period." In other words, Wyman reallocates units in response to something happening; claim 1 makes a license available in response to something *not* happening. This is significant because, in Wyman's approach, if a licensing unit is allocated to a client but not used by the client, this non-use would presumably not forfeit the client's rights to the licensing unit.

As stated in MPEP § 2143.01, to establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the

1 prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). “All words in
2 a claim must be considered in judging the patentability of that claim against the
3 prior art.” *In re Wilson*, 424 F.2d 1382, 165 USPQ 494, 496 (CCPA 1970). Since
4 at least one of the elements of claim 1 is not met by the applied art, then the art
5 fails to render claim 1 obvious under 35 U.S.C. § 103(a), even if the individual
6 references are considered in combination.

7 Further, nothing but the exercise of impermissible hindsight binds Misra,
8 Stannard, and Wyman together. To name just one example, Stannard discloses
9 that a user can continue to use an object after its license expires, which runs
10 directly counter the licensing philosophy of Misra and Wyman. As stated in
11 MPEP § 2143.01, if the proposed modification or combination of the prior art
12 would change the principle of operation of the prior art invention being modified,
13 then the teachings of the references are not sufficient to render the claims *prima*
14 *facie* obvious. *In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959).

15 For at least the above-stated reasons, the Applicant submits that the
16 rejection of claim 1 is misplaced, and respectfully requests that it be withdrawn.

17 The remaining independent claims that are rejected based on Misra,
18 Stannard, and Wyman, i.e., claims 2, 12, 16, 19, 30, and 41, recite related subject
19 matter to that set forth in claim 1. Therefore, these independent claims distinguish over
20 the applied art for reasons similar to those presented above. For instance, claims 2, 16,
21 and 19 recite in part “in response to not receiving a license request within the license
22 update period, making the license available to be issued to another client.” Misra,
23 Stannard, and Wyman, whether considered alone or in any combination, do not disclose
24 this element, in combination with the other elements recited in claims 2, 16, and 19, for
25 reasons similar to those presented above.

Independent claim 12 is reproduced below in full with emphasis:

12. A method of managing a software license, comprising:

receiving a license request from a client;

determining that the expiration date of a license previously issued to the client has been reached without the client making a license request, resulting in the return of the license to an available pool of licenses;

reissuing the license to the client if the license is available, the reissued license having a new expiration date;

issuing a new license to the client if a new license is available and the previously issued license is not available, the new license having a new expiration date; and

denying the client access to software resources if the previously issued license is not reissued and a new license is not issued.

The combination of Misra, Stannard, and Wyman does not disclose at least the element of “determining that the expiration date of a license previously issued to the client has been reached without the client making a license request, resulting in the return of the license to an available pool of licenses” in combination with the other elements of the claim when read as a whole, for reasons similar to those presented above.

Independent claim 30 is reproduced in full below with emphasis:

30. A method comprising:

receiving a license to access software resources, the license having an expiration date;

reaching the expiration date of the license without receiving a license request from the client, resulting in the license being returned to an available pool of licenses;

making a license request after the expiration date has been reached;

receiving the license as a reissued license if the license is available, the reissued license having a new expiration date;

receiving a new license if a new license is available and the license is not available, the new license having a new expiration date; and

being denied access to the software resources if a reissued license or a new license is not received as a result of the license request.

The combination of Misra, Stannard, and Wyman does not disclose at least the element of "reaching the expiration date of the license without receiving a license request from the client, resulting in the license being returned to an available pool of licenses" in combination with the other elements of the claim when read as a whole, for reasons similar to those presented above.

Independent claim 41 is reproduced in full below with emphasis:

41. A terminal server, comprising:

a database to provide terminal server resources to a client;

a client access module executing on the one or more processors for allowing access to the terminal server resources by a client having a license and denying access to the terminal server resources by a client not having a license; and,

a license request module configured to:

obtain a license for an unlicensed client that connects to the terminal server;

1 *obtain a license update for a licensed client that connects to the terminal*
2 *server during a license update period, wherein the license is made available to other*
3 *clients in response to the client failing to connect to the terminal server during the*
4 *license update period, and*
5 obtain a license update or a new license for a previously licensed client
6 connecting to the terminal server after the license update period.

7
8 The combination of Misra, Stannard, and Wyman does not disclose at least the
9 element of a license request module which is configured to “obtain a license update for a
10 licensed client that connects to the terminal server during a license update period,
11 wherein the license is made available to other clients in response to the client failing to
12 connect to the terminal server during the license update period” in combination with the
13 other elements of the claim when read as a whole, for reasons similar to those presented
14 above.

15 The remaining claims rejected under Misra, Stannard, and Wyman are dependent
16 claims. Misra, Stannard, and Wyman do not disclose the subject matter of any of the
17 dependent claims at least by virtue of the fact that these references do not disclose the
18 subject matter of these dependent claims’ respective independent claims. Moreover, the
19 dependent claims recite subject matter which further distinguishes over the combination
20 of Misra, Stannard, and Wyman. To cite just one example, consider claim 6, reproduced
21 below in full:

1 6. A method as recited in claim 2, further comprising:

2 selecting the expiration date to be a random date such that a period extending from
3 the day the license is issued through the expiration date of the license is at least one day less
4 than the length of the temporary period.

5
6 Misra discloses granting temporary licenses under some circumstances. See
7 column 17, lines 8-35 of Misra. But none of the documents even hints at selecting an
8 expiration date to be a random date. Further none of the documents even hints at making
9 an "expiration date of the license [so that it] is at least one day less than the length of the
10 temporary period."

11 For at least the above-stated reasons, the Applicant respectfully requests the
12 Patent Office to withdraw the 35 U.S.C. § 103(a) rejections based on Misra, Stannard,
13 and Wyman.

14 Claims 35-40 and 43-49 are rejected under 35 U.S.C. § 103(a) as being
15 unpatentable over Misra and Stannard. The Applicant respectfully traverses this rejection
16 for the following reasons.

17 Independent claim 35 is reproduced below with emphasis:

18
19 35. A license server comprising:

20 *an available license pool to store licenses;*

21 *an assigned license pool to store information regarding licenses assigned*

22 *to clients;*

23 *a request handling module to receive a license request;*

24 *a new license module to search the available license pool, setting an expiration date*

25 *on a new license if a new license is available, and issuing the new license to a client; and*

1 *a license clean-up module operating periodically to review the assigned*
2 *license pool and return any license to the available license pool which is found to have*
3 *reached its expiration date.*

4
5 The combination of Misra and Stannard does not disclose at least the elements of
6 “an available license pool to store licenses” and “a license clean-up module operating
7 periodically to review the assigned license pool and return any license to the available
8 license pool which is found to have reached its expiration date,” in combination with the
9 other elements of the claim when read as a whole, for reasons similar to those presented
10 above. Indeed, the rejection of claim 35 is even more deficient than explained above
11 (with respect to claim 1), since this rejection omits reliance on Wyman.

12 Independent claim 43 is reproduced below with emphasis:

13
14 43. A system for licensing software, comprising:

15 a license generator configured to receive a license purchase request, and to produce
16 and transport licenses in response to the license purchase request; and,

17 a license server configured to submit the license purchase request to the license
18 generator and store the licenses received in response to the license purchase request in an
19 available license pool; *the license server further configured to issue individual licenses to*
20 *individual clients from the available license pool, the individual licenses each having an*
21 *expiration date; the license server further configured to return licenses that reach their*
22 *expiration date to the available license pool.*

23
24 The combination of Misra and Stannard does not disclose at least the elements of
25 “the license server further configured to issue individual licenses to individual clients

1 from the available license pool, the individual licenses each having an expiration date,”
2 and “the license server further configured to return licenses that reach their expiration
3 date to the available license pool,” in combination with the other elements of the claim
4 when read as a whole, for reasons similar to those presented above. Indeed, the rejection
5 of claim 43 is even more deficient than explained above (with respect to claim 1), since
6 this rejection omits reliance on Wyman.

7 The remaining claims that are rejected based on Misra and Stannard depend
8 variously on claims 35 or 43, and are allowable for at least this reason.

9 As to claims 35-40 and 43-49, the Final Office Action states that the “claims
10 argued in this section are merely a server and a system, therefore the majority of the
11 limitations are intended use of the system and server which do not functionally
12 distinguish the claims from the prior art [sic] of record. Apparatus claims should cover
13 what a device is or structures or structural elements, not what a device does.” See
14 paragraph No. 21 of the Office Action.

15 The Examiner’s general statement of law is correct; namely, as set forth in MPEP
16 § 2114, an *apparatus* claim must include structural details which distinguish the claimed
17 invention over the applied art. However, the application of this law to the claims in
18 question is both factually and legally misplaced. Namely, *one* non-limiting way the
19 claimed system can be implemented is by providing logic (e.g., software, firmware,
20 hardware, etc.) that can implement the functions described in the claims. In this type of
21 invention, a claim element which recites “XYZ module configured to perform function
22 ABC” *does* reflect a structural difference, as this language ultimately refers to the
23 tangible logic used to implement this function. Consider *In re Alappat*, 33 F.3d 1526, at
24 1545 (Fed. Cir. 1994) (“We have held that programming creates a new machine, because
25 a general purpose computer in effect becomes a special purpose computer once it is

1 programmed to perform particular functions pursuant to instructions from program
2 software”) Note also *In re Lowry*, 32 F.3d 1579, 1583 (Fed. Cir. 1994) (data structures
3 designed to permit computer to run more efficiently “impart a physical organization on
4 the information stored in memory”). While these two decisions pertain to the proper
5 application of 35 U.S.C. § 101, the conclusions reached therein also have obvious bearing
6 on what claim elements should be given weight in the context of making prior art
7 rejections under Sections 102 and 103.

8 For example, the use of the phrase “configured to” and the like in a logic-related
9 invention has a different meaning than the use of this term in a mechanical invention. By
10 analogy, if Applicant had claimed a can opener for use in opening a can of product A,
11 this subject matter would not distinguish over prior art that showed the *same can opener*
12 being used to open a can of product B. *But once again, in a logic-implemented invention,*
13 *that a component is “configured to” perform a stated function reflects an actual*
14 *structural difference that must be given patentable weight in examination.*

15 For at least the above-stated reasons, the Applicant respectfully requests the
16 Patent Office to remove the 35 U.S.C. § 103(a) rejection based on Misra and Stannard.

17
18 *Conclusion*

19 The arguments presented above are not exhaustive; Applicant reserves the right to
20 present additional arguments to fortify its position. Further, Applicant reserves the right
21 to challenge the alleged prior art status of one or more documents cited in the Office
22 Action.

1 All objections and rejections raised in the Office Action having been addressed, it
2 is respectfully submitted that the present application is in condition for allowance and
3 such allowance is respectfully solicited. The Examiner is urged to contact the
4 undersigned if any issues remain unresolved by this Amendment.

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7 Dated: May 3, 2007

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